

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY	East Germany	REPORT	
SUBJECT	Second Quarter 1955 Planned and Actual Cost of the Reichsbahn	DATE DISTR.	23 September 1955 25X1
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This is UNEVALUATED Information

THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
THE APPRAISAL OF CONTENT IS TENTATIVE.
(FOR KEY SEE REVERSE)

1. The table below shows the planned and actual expenditures of the East German Railroads in the second quarter (1 April - 30 June) of 1955 in the thirteen basic categories under which accounts are maintained by the Ministry of Transportation. All entries are in thousands of DME.

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	<u>Planned</u>	<u>Actual</u>
a. Administrative Costs of the Reichsbahn Directorate (Reichsbahndirektion).	107,493.2	112,179.1
b. Coal price differential ¹	1,101.0	917.5
c. Losses incurred by storage depots ²	951.5	1,021.2
d. Costs of the Reichsbahn Offices (Reichsbahnaemter)	132,109.0	133,618.7
e. Costs for machinery (Maschinenwirtschaft)	91,100.0	93,192.6
f. Costs for car operation (Wagenwirtschaft)	11,409.0	14,910.2
g. Costs for installations ³ (HV Anlagen)	52,103.0	37,216.4

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1. Costs for safety installations and telecommunications technology (Sicherungs- und Fernmeldetechnik)	10,200.0	11,102.2
2. Costs of repair depots (Reichsbahn Ausbesserungswerke)	78,103.0	73,110.0
3. Costs of research institutes	2,277.0	1,995.0
4. Homes and rest centers	900.0	867.2
5. Schools	1,410.0	1,289.6
6. Medical services	500.0	504.1
7. Losses, other expenses (estimate)	---	11,000.0
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TOTALS	489,529.7	499,371.5 (sic)
RECEIPTS	497,986.3	492,930.8
PROFIT	8,456.6	6,440.7

Comments:

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1. For planning purposes, coal prices per ton are considered to be 6.9 DME for raw coal, 16.56 DME for briquettes, and 50.53 DME for hard coal from Poland. Since actual prices are always somewhat different, usually higher, an estimate is included in the plan to cover the difference.
2. Losses incurred by the depots are essentially operating expenses of the depots, considered as losses in that they add to the costs of all items stored for a period of time prior to use.
3. The difference in planned and actual expenditures for installations, indicating failure to carry out planned repairs, replacements, and improvements to physical installations of the Reichsbahn, is largely attributable to shortage of materials, and not because of lack of funds. Most of the materials needed to make these replacements and improvements have to be obtained through imports, but East Germany is not succeeding in importing them in sufficient quantities. Physical condition of the Reichsbahn continues to deteriorate.

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